VZCZCXRO2950 PP RUEHLMC DE RUEHLP #2036 2081421 ZNY CCCCC ZZH P 271421Z JUL 06 FM AMEMBASSY LA PAZ TO RUEHC/SECSTATE WASHDC PRIORITY 0077 INFO RUEHAC/AMEMBASSY ASUNCION 6016 RUEHBO/AMEMBASSY BOGOTA 3334 RUEHBR/AMEMBASSY BRASILIA 7185 RUEHBU/AMEMBASSY BUENOS AIRES 4448 RUEHCV/AMEMBASSY CARACAS 1723 RUEHPE/AMEMBASSY LIMA 1738 RUEHMN/AMEMBASSY MONTEVIDEO 3937 RUEHQT/AMEMBASSY QUITO 4354 RUEHSG/AMEMBASSY SANTIAGO 8916 RHMFISS/HQ USSOUTHCOM MIAMI FL RUMIAAA/USCINCSO MIAMI FL RUEHLMC/MILLENNIUM CHALLENGE CORP RHEBAAA/DEPT OF ENERGY WASHINGTON DC RUEATRS/DEPT OF TREASURY WASHINGTON DC RHEHNSC/NSC WASHINGTON DC

CONFIDENTIAL LA PAZ 002036

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STATE FOR WHA/AND

E.O. 12958: DECL: 07/27/2016

TAGS: ECON PGOV PREL BL

SUBJECT: LA PAZ PREFECT UNDER FIRE

Classified By: Amb. David N. Greenlee for reasons 1.4(b) and (d).

- 11. (C) Summary: Following the July 2 autonomy referendum, social sectors have called for the resignation of La Paz Prefect Jose Luis "Pepe Lucho" Paredes, expressing anger at his support for regional autonomy (a position that contradicted his department's popular vote). Paredes alleges that a radical arm of the MAS is organizing marches against him; the GOB denies any involvement. Paredes assured poloff that he would not resign, but the demonstrations urging his resignation are an indication of the weakness of Bolivia's decentralized democracy. End summary.
- 12. (C) Following the July 2 autonomy referendum, social sectors have called for the resignation of La Paz Prefect Jose Luis "Pepe Lucho" Paredes, expressing anger at his support for regional autonomy (a position that contradicted his department's popular vote). The Regional Workers' Union (COR), the Neighborhood Association of El Alto (Fejuve), and several indigenous groups have marched against him (with the last march on July 24), and one indigenous organization, the Federation of Rural Workers Tupac Katari, has threatened blockades and additional marches if Paredes does not resign by July 27. The groups are protesting not only Paredes' support for departmental autonomy but also his alleged corruption as mayor of El Alto (his previous position) and his failure to address the increasing pollution of Lake Titicaca.
- 13. (C) Paredes has alleged that a radical arm of the MAS is organizing the marches against him, with the ultimate goal of instituting MAS control over the department. To date, the GOB has denied any involvement. Paredes told poloff July 26 that despite the ups and downs of the past two weeks, he believes the situation is cooling off. According to Paredes, President Morales met with MAS leaders July 25 and may now be attempting to moderate the more radical faction, warning its supporters that continued marches will likely result in backlash against Morales. Paredes told poloff that since there is no legal mechanism for censuring prefects, the only options are voluntary resignation or the initiation of legal proceedings for wrongdoing. Paredes has received significant

public support from fellow prefects Ruben Costas of Santa Cruz and Manfred Reyes Villa of Cochabamba. Reyes Villa said Paredes' position on autonomy should not serve as a reason to force him out of office, saying that if autonomy had passed nationwide, nobody would be calling for Morales' resignation. Paredes assured us he would not resign.

14. (C) Comment: The demonstrations urging Paredes' resignation are an indication of the weakness of Bolivia's decentralized democracy. The opposition prefects, like the Catholic Church (septel), will likely face additional public pressure as the trend toward consolidation of central government power continues. End comment. GREENLEE